

Explanatory Statement

This filing is made pursuant to Welfare and Institutions Code Section 4101.5 (f) which exempts DMH from the rulemaking provisions of the Administrative Procedure Act in adopting these proposed regulations.

The three proposed regulation sections include two definitions which clarify the application of Section 4101.5 (as intended) to general acute care hospitals, and to physicians necessary for specialty and other medical services not available at the hospitals. These definitions remove the unintended application of Section 4101.5 to physicians within the state hospitals, who are both employees and contracted registry physicians for temporary and as-needed services. The proposed regulation sections also clarify that the state practice of accepting county selected (by bid process) franchise ambulance service providers is permitted under this statute.

Good Cause

DMH is requesting that the proposed regulations be deemed effective upon filing with the Secretary of State's Office in order to ensure that necessary and appropriate medical services are being timely provided to DMH's state hospital patients.

The proposed regulations would ensure that necessary and appropriate hospital, physician and ambulance services are available to DMH's population of patients. DMH's five state hospitals provide mental health treatment to patients confined and treated within these facilities. Although DMH provides ancillary medical services to its patients, the state hospitals cannot provide the full range of hospital and physician services that are available at general acute care hospitals and physician groups in the community. It is necessary for DMH to transport its patients via ambulance service to outside general acute care hospitals and physician groups for medical treatment that the state hospitals cannot provide.

Only a limited number of general acute care hospitals and physicians in the surrounding communities are willing to treat DMH's forensic patients. DMH, in order to comply with Welfare and Institutions Code Section 4101.5, must renegotiate with existing hospital, physician and ambulance service providers to address the Medicare rate cap requirements or request competitive bidding on new or replacement contracts which are exempted from such Medicare rate cap requirements. These changes will allow DMH to fulfill its objective to enter into service contracts necessary to provide a sufficient number of appropriate medical care and treatment providers necessary for DMH's patient population.